



October 20, 2011

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45; *Lifeline and Link-Up*, WC Docket No. 03-109

Dear Ms. Dortch:

On October 17, 2011, Phil Treuer, Rick Hitz, and Emily Thatcher of General Communication, Inc. ("GCI"), and Renee Wentzel and I of Wiltshire & Grannis LLP, on behalf of GCI, spoke by telephone with Randy Clarke, Deena Shetler, and Doug Slotten of the Wireline Competition Bureau Pricing Policy Division. During that call, we discussed the concerns GCI raised in its October 6, 2011, ex parte letter regarding the intercarrier compensation provisions of the Joint ILEC Framework, including the ABC Plan and RLEC Plan as modified by that Framework ("GCI ICC ex parte").¹ As further described in the GCI ICC ex parte, while many of the broad objectives of these rules would create a workable transition, there are some specifics that need to be adjusted in order for the rules to achieve the objectives of unified and harmonized intercarrier compensation rates and reduced arbitrage.

We specifically discussed the effect of the ABC Plan Draft Rules' permitting a degree of offsetting price increases within the same service bands, which is an issue particularly with respect to the traffic sensitive basket, including end office local switching, as well as other elements such as database queries, billing name and address, local switching trunk ports, and signaling transfer point port termination. GCI thus urged the Commission to prohibit *any* increase in originating or terminating interstate or intrastate switched access rates.² GCI also

¹ See Letter from Tina Pidgeon, et al., General Communication, Inc., to Marlene H. Dortch, Federal Communications Commission, WC Docket Nos. 10-90 et al. (filed Oct. 6, 2011) ("GCI ICC Ex Parte").

² See also GCI ICC ex parte at 3.

urged the Commission to implement an access rate transition addressing the situation when interstate rates *exceed* intrastate rates, and recommended that a better approach would be to reduce the higher of interstate or intrastate access rates to the lower of such rates over the first two years, so that all study areas have unified intrastate and interstate access rates after two years.³

A copy of this letter is being filed in the above-referenced dockets.

Sincerely,



John T. Nakahata
Counsel to General Communication, Inc.

Cc: Randy Clarke
Deena Shetler
Doug Slotten

³ See also GCI ICC ex parte at 2.